

VILLAGE OF RUIDOSO

313 CREE MEADOWS DRIVE
RUIDOSO, NEW MEXICO 88345

Phone: 505-258-4343 Toll Free 877-700-4343

Fax: 505-258-5361

Fax Cover Sheet

To Name:

Raj Patel

Organization:

Fax:

214-665-6490

Phone:

From:

Loni Mc Knight

Village of Ruidoso

Date:

6/26/03

Subject:

Letter from Richard Seely

Pages:

7 (including this page)

☐

Urgent

☐

Reply ASAP

☐

Please Comment

☐

For Your Records

Comments:



Seely & Associates, Inc.

June 23, 2003

Mayor Leon Eggleston
Village of Ruidoso
313 Cree meadows Drive
Ruidoso, New Mexico 88345

Dear Mayor Eggleston:

As you know, on May 13, 2003 the Village of Ruidoso Council approved the Amendment to Professional Services Contract entered into by the Village of Ruidoso and Seely & Associates (S&A) on March 20, 2001. Under the Amendment the Village of Ruidoso agreed to the following:

"For project management tasks/activities for the above referenced project (wastewater treatment plant and associated facilities) Ruidoso agrees to pay S&A the sum of \$86,133.76 for fees and expenses which have been incurred to the date of this Amendment as shown in the invoice attached as Exhibit B. Said payment will be made by Ruidoso upon receipt of reimbursement for said invoice from the EPA Grant in place for the Wastewater Project."

As discussed below, almost six weeks have passed since approval of the contract amendment, and yet Ruidoso has not even submitted the S&A invoice for payment. All indications I have, as well as my experience with the EPA in general, suggest that the invoice will be paid by EPA within a few days if it is submitted properly.

Although Ruidoso indicated that it wishes to take over the project management functions, I offer to have S&A prepare the invoicing documentation, submit it for review and pre-approval by the state-level project overseer, and then forward the approved forms to Mr. Cleatus Richards for signature and submission by Ruidoso. S&A would do this at no charge, and of course the payment of the S&A invoice would be made solely from funds received from the EPA, so this approach would resolve the outstanding invoice at no expense and virtually no effort or inconvenience to Ruidoso.

Status of the Seely & Associates Invoice

It is now almost six (6) weeks since the Council approved the Amendment and the S&A invoice has not been submitted to Stephanie Dubois, New Mexico Environment Department, who carries out project oversight including approving and submitting project invoices for payment.

Specifically the following events have occurred:

1. Over the past 30 days I have sent emails to and have called numerous times Ms. Lotri McKnight and Mr. Cleatus Richards about the status of the invoice.

2. For the past two weeks Mr. Richards assured me that the invoice would be mailed and faxed to Ms. Dubois on June 10 but no later than June 11, June 16 but no later than June 17.
3. Ms. McKnight confirmed to me that the invoice would be prepared, mailed and faxed to Ms. Dubois on June 18.
4. Late in the day on June 18 Mr. Richards called me to say that he had spoken to Mr. Rageme Patel of EPA/Dallas who had informed him that the S&A invoice could not be paid at this time.
5. Mr. Richard advised me to call Mr. Patel to discuss the S&A invoice and its processing.
6. Since June 18 I have attempted by email, fax and telephone to contact Mr. Patel. He is out-of-town and has not been reachable to date.
7. On June 19 I contacted Ms. Stephanie Dubois who confirmed that the work completed by Seely & Associates qualified as a "pre-award cost" and could be paid from EPA project funds. I emailed the attached S&A invoice to her. After reviewing Ms. Dubois continued to believe that the S&A could be paid from EPA project funds.
8. Ms. Dubois also said she would speak to Mr. Patel to discuss processing the invoice.
9. I additionally learn from Ms. Dubois that she can approve invoices in 1-2 days and that funds can generally be wired to the Ruidoso bank account in about 3 days.

I briefed Mr. Richards on June 20 about my conversations with Ms. Dubois and asked him to assure me that the S&A would now be mailed and faxed to her by Ruidoso. To my astonishment Mr. Richards said he could not submit the invoice because:

1. EPA will only pay 55% of the 86,133.76 or \$47,373.57. The remaining \$38,760.19 would have to be paid from local funds and that would put a financial hardship on Ruidoso.

I had earlier informed Ms. McKnight that there is \$124,810 in the EPA project budget (see attached OBJECT CLASS CATEGORIES WORKSHEET) or \$68,646 of actual EPA project funding due Ruidoso for Ruidoso professional staff time, fringe benefits and travel. This funding can be used to cover local cost share such as that is needed to pay the S&A invoice local share. In summary, Ruidoso will receive all of the EPA project funds and S&A fees will not cost the village anything.

Notes

- a. Mr. Richards and Ms. McKnight were surprised that EPA would not pay 100% of the S&A invoiced amount.

- b. In March 2003 S&A was informed that its project management services would no longer be needed and that Ruidoso Village staff would carry out this function. The contract amendment is proof that such a change in role was being sought by Ruidoso.
 - c. Given the change, S&A staff was not responsible for project billing. It is clear that as of March Mr. Richards and Ruidoso clearly had taken on responsibility for knowing how to invoice and what payment could be expected.
2. Ms. McKnight told Mr. Richards that S&A was already supposed to have gained approximately \$1 Million as a match for the EPA funds and this might hold up the payment to S&A.

Notes

- a. The March 13, 2003 contract amendment states that "Ruidoso retains S&A to develop and raise funding for improvements to wastewater treatment plant and associates facilities".
- b. The contract further states that "Services will be rendered after May 13, 2003, only pursuant to written task orders and signed by Ruidoso and accepted by S&A."
- c. I have called, emailed and faxed Mayor Eggleston in an attempt to arrange a planning meeting in Ruidoso so the task orders could be discussed and agreed upon. None of my communications has been answered by the Mayor.
- d. Therefore, there should be no delay in the payment of the S&A invoice as the terms of the task orders have not been negotiated.

Steps Needed to Complete the Provisions of the Contract Amendment

Clearly, the issues of the S&A invoice and the fundraising task orders can be resolved quickly. To achieve this end the following actions need to be carried out by Ruidoso during the week of June 23-27:

June 23 The S&A invoice and other required reimbursement forms are completed, mailed and faxed to Stephanie Dubois.

Note: As mentioned above, I could complete the forms correctly and obtain a sign-off from Stephanie Dubois before forwarding them to Mr. Richards for Ruidoso submission. I recommend this course of action as Mr. Richards has told me he is extremely busy with other assignments at the present time.

June 23 Ruidoso and S&A agree on timeframe for payment of the local share of the invoice.

June 27 Funds are wired to Ruidoso. Ruidoso wires funds to S&A or sends the firm a check by FedEx.

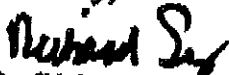
Conclusions

S&A has acted in good faith in carrying out the provisions of the contract amendment. Ruidoso is not displaying good faith. The S&A professional staff sincerely wants to assist Ruidoso in efforts to gain project match funding as well as an FY 2004 congressional appropriation. The firm has been successfully raising funds and managing Ruidoso projects since 1995.

On the wastewater project alone, S&A has raised more than \$2.54 Million to date. Due to S&A efforts on Capitol Hill, a \$5.5 Million appropriation for the wastewater treatment project has been introduced this session of Congress. More work needs to be done to increase the chances of passage of the latter FY 2004 appropriation.

I can not overstate the importance of the S&A invoice being submitted, processed and paid by June 30, 2003 when the contract amendment terminates. Without payment to S&A Ruidoso is in violation of the contract. S&A will have no choice then but to proceed immediately with legal and other actions to gain compliance by Ruidoso with the provisions of the contract it signed. I or Robert Moore, S&A New Mexico representative, will call you and Mr. Underwood on Monday to discuss the resolution of this matter.

Sincerely,



Dr. Richard Seely

President

Seely & Associates, Inc.

Cc: John Underwood
Ralph Tener
Robert Moore
Lorri McKnight
Cleatus Richards

Seely & Associates, Inc.

7810 South Valley Drive
Fairfax Station, VA 22039
Tel. 703-239-0710

INVOICE


Date: May 13, 2003

Inv. # RU23-05

To: Lorri McKnight
Village of Ruidoso
313 Cree Meadow
Ruidoso, NM 88345

Wastewater Treatment
Plant Project

Date	Description	Amount
5/13/03	For project activities completed to meet EPA program requirements and to prepare and gain approval of the Village of Ruidoso EPA Wastewater Treatment Project Application carried out by Dr. Richard Seely, Robert Moore, Richard Burton, and Sarah Brock on behalf of the Village of Ruidoso. Tasks included: preliminary project design, on-site research and data collection, preparation of project action plan and budget, involvement in planning meetings in Ruidoso and other locations, preparation of the EPA Application Package, among others. The fees due Seely & Associates include expenses.	\$6,162.50
	Total	\$86,162.50


Richard Seely
President
Seely & Associates & Associates, Inc.

**Village of Ruidoso
EPA Wastewater Treatment Plant Project
Tasks/Activities Completed by Seely & Associates**

1. Discussions with engineers, product manufacturers and preparation of preliminary project design.
2. Research and preparation of cost estimates for project budget objective classes.
3. Preparation of preliminary project budget.
4. Preparation of project summary and action plan.
5. Review with and approval by EPA/Dallas of project action plan, budget, and other project components.
6. Discussions with New Mexico Environment Department officials regarding the project application sections and requirements.
7. Research of EPA wastewater programs regarding intent, agency definition of Ruidoso project, federal project requirements, etc.
8. Preparation of and submission to Ruidoso officials of periodic update reports and project recommendations relating to the application.
9. Ongoing discussions with EPA officials regarding the design criteria, project action plan and implementation timeline.
10. Preparation and finalization of EPA application working in cooperation with Village of Ruidoso officials, Molzen-Corbin and other organizations.
11. Research of OMB and other current project requirements to ensure compliance.
12. Meetings in Ruidoso re project design, other technical details of project.
13. Ongoing research on alternative project designs and cost savings.
14. Discussions with EPA Project Director Bill Black re project content. Completion of pre-award documentation and council meeting report.
15. Ongoing contact with New Mexico officials including Stephanie Dubois and Steven Baumgardner regarding the lift station, resolution of the phosphorus problem, among other project related subjects.
16. Submission to EPA of the Ruidoso project technical and financial information.
17. Trips by Richard Seely and Robert Moore to Ruidoso to meet with Mayor Leon Eggleston, Village Manager Lorri McKnight, Cleatis Richards and other officials re project budget, narrative, and other documentation and the submission of the application to EPA.

